

# BUSINESS ACTIVITIES REGISTRATION ACT, 2005

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## NOTICE

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The following Bill to be submitted to the National Assembly is published for general information together with a statement of its objects and reasons.

Dar es Salaam,  
30<sup>th</sup> June, 2005

**MATERN Y.C. LUMBANGA**  
*Chief Secretary*

## A BILL

*for*

**An Act to provide for the establishment of a business activities registration system, Business Registration Centres and to provide for matters related thereto.**

**ENACTED** by the Parliament of the United Republic of Tanzania.

## PART I PRELIMINARY PROVISIONS

Short title  
and commen-  
cement

**1.** This Act may be cited as the Business Activities Registration Act, 2005 and shall come into operation on such a date as the Minister may by notice published in the *Gazette*, appoint.

Application

**2.** This Act shall apply in Tanzania Mainland.

Interpreta-  
tion

**3.** In this Act unless the context otherwise requires -  
“Act” means the Business Activities Registration Act, 2005;

“auxiliary business” means any business not specified in a business registration which may be lawfully carried on

under such registration;

“business” means any form of trade, commerce, craftsmanship or specified profession carried on for profit, gain and to which the provisions of this Act do apply;

“Business Registration Centre” means a centre established in a Local Authority for the purpose of business activities registration;

“business registration” means the process of registering a business undertaking, business entity, enterprise, with a Registrar in a designated Local Authority in accordance with the provisions of this Act;

“certificate of registration” means a certificate issued under section 14 of this Act;

“Chief Registrar” means the officer appointed by the Minister under section 5 of this Act;

“core activity” means the main activity of that business;

“Company” means a company incorporated under the Companies Act or incorporated outside Tanzania Mainland and authorized by that Act to carry on business or to have a registered office in Tanzania;

“inspector” means an Officer appointed by the Minister under section 26 of this Act;

Acts Nos. 7  
and 8 of 1982

“Local Authority” means Local Government Authority established under the Local Government (District Authorities) Act, 1982, or the Local Government (Urban Authorities) Act, 1982;

“Main Registry” means the registry established under section 6;

“Minister” means the minister responsible for trade;

“Ministry” means the ministry responsible for trade;

No. 8 of 2002

“public servant” has the meaning ascribed under the Public Service Act 2002;

“publish” means the publication of information relating to the Business Registers in either electronic form or through printed material to all ministries and to the general public;

“Registrar” means a public officer appointed under section 6 of the Act in each Local Authority jurisdiction;

“registry” means the registry established under section 10 of this Act;

“register” means the register established and maintained under section 5 of this Act;

“regulated business” means a business regulated under any written law.

## PART II MINISTRY AND APPOINTMENT OF CHIEF REGISTRAR

Role of  
Ministry

**4.** In relation to the powers and functions of Local Authorities conferred under this Act the role of the Ministry shall be-

- (a) to formulate a national policy and regulatory framework for local authorities in relation to business registration system;
- (b) to coordinate and monitor the performance of local authorities for compliance with national policies, guidelines and standards;
- (c) to provide the necessary technical support or assistance to local authorities for the implementation of the respective functions;
- (d) to facilitate the exercise of powers and the discharge of functions in a manner that gives due recognition to the autonomy of local authorities;

Appointment  
and functions  
of the Chief  
Registrar

**5.-(1)** There shall be a Chief Registrar who shall be appointed by the Minister.

(2) The functions of the Chief Registrar shall be -

- (a) to receive quarterly updated registers of businesses from the Registrars of each Local Authority;
- (b) to establish and maintain in the Ministry *one* composite register of all businesses registered under this Act;
- (c) to publish quarterly the composite registers of all Business Registration Centres within three months after the end of the quarter;
- (d) to ensure that each Registrar maintains minimum acceptable standards of the registry in his jurisdiction.

Main Registry

**6.-(1)** There is hereby established within the Ministry a Main Registry which shall consist of the registries of all the Business Registration Centres established under this Act.

(2) The Ministry shall ensure that the Main Registry is kept and maintained in accordance with prevailing international best practices with the use of modern technology and skills.

### PART III ESTABLISHMENT OF BUSINESS REGISTRATION CENTRES

Establishment  
of Business  
Registration  
Centres

**7.-(1)** There shall be established in each Local Authority a Business Registration Centre.

(2) Each Business Registration Centre shall be an organ of the Local Authority within its jurisdiction.

Functions of  
Business  
Registration  
Centres

**8.** The functions of the Business Registration Centre shall be -

- (a) to register all business undertakings, businessss entities and enterprises in the area of its jurisdiction;
- (b) to collect business information in the area of its jurisdiction for the purpose of public consumption;
- (c) to ensure all business information collected is available for the purpose of public record;
- (d) to inform the Ministry and the Ministry responsible for local government of businesses registered in the area of its jurisdiction;
- (e) to provide information and guidance to the public on the manner in, and extent to which businesses are to comply with legislation and regulations applicable to them;
- (f) to provide information regarding services provided by Government and donor agencies to businesses including but not limited to training programmes, skills access in the form of technical advice and business development services, and the provision of trading and operational facilities such as hawker stalls and industrial parks;
- (g) to provide a facility which will, as far as possible, be in a form similar to a website where any registered business may be entitled to place advertisements at a fee determined by the local authority with the approval of the Minister;
- (h) to provide a registry of information on all businesses operating within the area of its jurisdiction and ensure accessibility of such information to all branches and agencies of the government and to all businesses.

Appointment  
and functions  
of the  
Registrar

**9.-(1)** There shall be in each local authority a Registrar who shall be appointed by the Minister after consultation with the Minister responsible for local government

(2) The functions of each Registrar shall be:

- (a) to register all businesses in the area of his jurisdiction;
- (b) to establish a registry to be managed and maintained by the Business Registration Centre;
- (c) to submit quarterly reports within three months after the end of the quarter to the Chief Registrar;
- (d) to publish the current register of all businesses registered in the area of his jurisdiction;
- (e) to deregister businesses as provided for under this Act;
- (f) to ensure collection of the appropriate registration fees payable under this Act.

Registry

**10.-(1)** Each Registrar shall establish a registry to be managed and maintained by the Business Registration Centre under his authority.

(2) The Ministry in collaboration with the Ministry responsible for local government shall ensure that each Registry established under sub-section (1) is maintained in accordance with prevailing international best practices with the use of modern technology and skills.

#### PART IV APPLICATION AND REGISTRATION OF BUSINESS ACTIVITIES

Compliance  
by regulated  
and  
unregulated  
business

**11.-(1)** Each business operating in Mainland Tanzania shall be required to obtain a certificate of registration from the Business Registration Centre within the local authority where the business is located.

(2) The owner, manager or person in-charge of a regulated business specified in the regulations who wishes to register his business shall produce to the Registrar a valid certificate of compliance with the relevant regulatory statute before a certificate of registration under this Act is issued.



(3) Any business which is not regulated under any written law shall upon application and payment of the prescribed fee be issued with a certificate of registration.

(4) No person shall carry on business at two or more premises unless he is a holder of a separate certificate of registration issued to him in relation to such business for each such premises.

Applica-  
tion for  
registration

**12.-(1)** Any person who wishes to register a business within the area of jurisdiction of any local authority shall make an application to the Business Registration Centre in such form as may be prescribed.

(2) Every application under this section shall be signed in such manner and by such person or persons as may be.

Particulars  
of application

**13.** Every application for business registration under this Act shall contain the following information -

- (a) the name of the business;
- (b) the date of commencement of business;
- (c) the name of the owner or owners of the business;
- (d) whether the owner is a firm, a corporate entity or a natural person;
- (e) if the owner is a firm, the partners thereof;
- (f) nationality of owner;
- (h) if the owner is a corporate entity, the registration number and date of registration of the company;
- (h) where the owner of the business has been registered in terms of section 4 of the Business Names (Registration) Ordinance, the name under which it was registered;
- (i) in the case of a subsidiary business, the name and location of the head office;
- (j) the nature of the core activity of the business;
- (k) the nature of any auxiliary activity;
- (l) the number of employees in the business;
- (m) the physical street, postal address and telephone numbers of the business;
- (n) the telefax number, e-mail and website address of the business, if any;
- (o) the chief executive officer or other person in charge of the management of the business;

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- (p) the extent to which, if any, that business has been granted an applicable certificate of compliance or authorization to trade or operate under section 11(2);
- (q) the Tax Identification Number (TIN), if any, of business if applicable;
- (r) VAT Number, if applicable.

Registration

**14.-(1)** Upon receipt of the application under section 12, the Registrar shall cause the business activity to be registered in the prescribed form and shall issue to the applicant a certificate of registration in the form set out in the Schedule to this Act.

(2) Where the Registrar is not satisfied with the requirements set out under section 11(2), he may refuse to register such business and give reasons for refusal.

Validity

**15.** Every business registration shall be valid for the entire life of the business.

Extent of authority of certificate of registration

**16.** Nothing in this Act shall entitle any person or business to conduct business in contravention of any law or regulation governing activities of that business, including but not limited to -

- (a) town planning regulations;
- (b) health regulations;
- (c) safety regulations;
- (d) environmental regulations;
- (e) in relation to foreigners, the immigration requirements; or
- (f) any regulation governing the conduct of any specific type of business or profession.

Exhibition of certificate of registration

**17.** Every person who is issued with a certificate of registration shall exhibit the same in a conspicuous place in the premises where the business is carried on.

Local authority not to issue licences

**18.** No local authority or its agent, local authority entity or any other person shall, save as provided under any written law, have the power to issue any licence, permit or authorization that serves as a precondition for the right to conduct a business.

PART V  
SUSPENSION, REVOCATION, DEREGISTRATION AND CANCELLATION  
OF CERTIFICATES OF REGISTRATION

Suspension,  
revocation, or  
cancellation of  
certificate of  
registration

**19.-(1)** The Registrar may suspend, revoke or cancel a certificate of registration issued under section 14 if he is satisfied that:

- (a) the premises has ceased to be used for the purpose for which the certificate of registration was issued;
- (b) the business owner, manager or person in-charge has, since the certificate of registration was issued, been convicted of any offence against the provisions of this Act or any regulations made thereunder;
- (c) the business owner has become bankrupt or if a company, has gone into liquidation;
- (d) the business has failed to comply with any condition of the certificate of registration.

(2) Any person who has been notified that his certificate of registration has been suspended, revoked or cancelled under this Act shall surrender the same to the Registrar who issued the certificate of registration.

Notification of  
intention to  
deregister

**20.** Where the Registrar is satisfied that the business owner, manager or a person in-charge of a business does not comply with any legislation specifically governing the activities of that type of business; or a business has been liquidated or is no longer trading; or the owner, manager or any person in-charge of a business furnished false information during registration, he shall furnish notification of the intention to de-register to such owner, manager or as the case may be, the person in-charge of the business.

Right to  
be heard

**21.- (1)** Any person who is served with a notification under section 20 shall be given an opportunity of appearing and making representation relevant to the proposed de-registration to the Registrar, and the Registrar shall consider such representation and decide accordingly.

(2) Where the Registrar decides to deregister any business he shall within 30 days of the date of deregistration notify in writing the owner, manager or as the case may be, the person in charge of the business.

Appeal

**22.**-(1) Any person who is aggrieved by:

- (a) suspension, revocation or cancellation of a registration certificate;
- (b) refusal of the Registrar to issue certificate of registration; or
- (c) de-registration;

may, within 60 days from the date of the decision, appeal to the Minister.

(2) Every appeal under this section shall be in writing.

(3) Where the Registrar suspended, revoked or cancelled the registration certificate under section 19, that suspension, revocation or cancellation shall not have effect until the period within which an appeal against suspension, revocation or cancellation may be made to the Minister has elapsed or, if the appeal has been made, until that appeal has been heard and determined.

(4) The Minister shall appoint an Appeals Committee of four people to advise him on appeals under this section.

(5) Where an Appeals Committee advises the Minister on any appeal, the Minister shall not be bound to accept any such advice.

(6) A person aggrieved by the decision of the Minister may within 30 days from the date of the decision appeal to the High Court against the decision of the Minister.

## PART VI OBLIGATIONS OF BUSINESS OWNER

Notification to  
Registrar

**23.** A business owner, manager or any person in-charge of a business shall be required to notify the Registrar for the local authority in which his business is registered if -

- (a) he ceases to operate business;

- (b) his business is placed under liquidation;
- (c) his business premises are changed;
- (d) his line of core activities has changed; or
- (e) his business activities registration certificate is misplaced, destroyed or lost.

Replacement  
of lost or  
destroyed  
certificate

**24.** Any person whose certificate of registration has been defaced, lost or destroyed may upon application and payment of the prescribed fee obtain a duplicate certificate from the Registrar.

## PART VII APPOINTMENT AND POWERS OF INSPECTORS

Appointment of  
inspectors

**25.-(1)** The Minister may, after consultation with the Minister responsible for local government, appoint inspectors and officers whom he thinks necessary for the purposes of the execution of this Act.

(2) Notice of appointment of every inspector shall be published in the *Gazette*.

(3) Every inspector shall be issued with an identity card of his appointment, and when visiting a business premises or place to which any of the provisions of this Act apply shall, if so required, produce such identity card to the owner, occupier or other person having control of the premises.

Powers of  
inspectors

**26.** An inspector shall for the purposes of the execution of this Act, have powers to -

- (a) require the production of the certificate of registration or any document kept in pursuance of this Act and to inspect, examine and make copy of any of them;
- (b) to take with him a police officer if he has reasonable cause to encounter any obstruction in the execution of his duty;
- (c) to demand the owner, occupier, or other person having control of the premises to give any information that is in that person's powers to give;
- (d) to exercise any powers which may be necessary for carrying out the provisions of this Act.

## PART VIII OFFENCES

### Offences

**27.** Any person who:

- (a) carries on business without being registered under this Act;
- (b) provides false information at the time of registration;
- (c) conducts business without observing other legislation or regulations governing such activity;
- (d) carries on business at any place not specified in the certificate of registration,

commits an offence and upon conviction is liable -

- (i) in case of a business with a turnover not exceeding shillings twenty million per annum, to a fine of not less than fifty thousand shillings but not exceeding shillings one hundred thousand;
- (ii) in case of a business with a turnover exceeding shillings twenty million per annum, to a fine of not less than shillings two hundred thousand but not exceeding shillings five hundred thousand.

### Compounding offences

**28.-(1)** The Registrar may, if satisfied that a person has committed an offence under this Act or under any regulations made hereunder, compound such offence by accepting from such person a sum of money not exceeding the amount of the fine to which such person would have been liable if he had been prosecuted and convicted for the offence provided that:

- (a) the power conferred by this section shall be exercised only where the person admits in writing to have committed the offence under this Act;
- (b) the person exercising the power conferred by this section shall give the person from whom he receives such sum of money a receipt therefor.

(2) Where an offence under this Act or under any regulations made hereunder is compounded in accordance with the provisions of subsection (1), and the proceedings are brought against the offender for the same offence, it shall be a good defence if such offender proves to the satisfaction of the court that the offence with which he is charged has been compounded under subsection (1).

Failure to  
surrender  
certificate of  
registration

**29.** Any person who fails without reasonable excuse to surrender the suspended, revoked or cancelled certificate to the Registrar, commits an offence and upon conviction is liable-

- (a) in case of a business with a turn over not exceeding shillings twenty million per annum, to a fine of not less than fifty thousand shillings but not less than shillings one hundred thousand;
- (b) in case of a business with a turnover exceeding shillings twenty million per annum, to a fine of not less than shillings two hundred thousand but not exceeding shillings five hundred thousand.

## PART IX FINAL PROVISIONS

Regulations

**30.** The Minister may make regulations for better carrying out of the provisions and purposes of this Act and without prejudice to the generality, may make regulations:

- (a) prescribing the Forms to be used for purposes of this Act;
- (b) prescribing for the classification of businesses;
- (c) requiring the Registrars to submit returns to the Chief Registrar in the Ministry;
- (d) providing for the issuance of a duplicate certificate of registration where the original is defaced, destroyed or lost;
- (e) providing for the timeframe within which specific obligations shall be carried out;
- (f) prescribing the fine to be imposed on any person or business found to be carrying on a business without a valid certificate of registration;
- (f) prescribing anything which, under the provisions of this Act, may be prescribed.

Repeal of Act  
No.25  
of 1972

**31.** The Business Licensing Act, 1972 is hereby repealed.

Transitional  
provisions  
Act No.25 of  
1972

**32.** All licences issued under the Business Licensing Act, 1972 and all exemptions granted thereunder, shall remain in force and effect until a date to be determined by the Minister and

whereupon they shall lapse and all businesses governed by this Act shall be required to register in accordance with this Act.

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**SCHEDULE**

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(Section 14(1))

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UNITED REPUBLIC OF TANZANIA

BUSINESS ACTIVITIES REGISTRATION ACT, 2005

CERTIFICATE OF BUSINESS REGISTRATION

This is to Certify that

.....

is the holder of a Certificate of Business Registration issued under

The Business Registration Act, 2005

For and on behalf of:

Minister for Industries and Trade of the  
United Republic of Tanzania

.....

Registrar,

..... Business Registration Centre

Dated this ..... day of .....200....



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## **OBJECTS AND REASONS**

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This Bill intends to propose the enactment of legislation which introduces a “Business Activities Registration system” to replace the business licencing system that is currently in force. The new legislation provides for procedures and regulations for registration of businesses responding to the demands of a market economy, focusing on the reduction of the high transaction costs for business compliance with unnecessary regulations. The Bill also introduces procedures for the collection of data and dissemination of information on trends in the business sector for use by various stakeholders. The Bill is divided into Nine Parts presenting various proposals on the business activities registration as follows:-

Part One presents the name of the Bill, its application and definition of words and terms used in the proposed Act.

Part Two defines the role of the Ministry of Industry and Trade, the appointment of the Chief Registrar and establishment of the Main Registry.

Part Three describes the establishment of Registries in the City, Municipal, Town and District councils, the functions of these Registries, the appointment of Registrars and their functions.

Part Four describes the procedures for registration of business, duration of validity of registration certificates and obligations of business owners issued with certificate of registration.

Part Five provides for the procedures of suspension, revocation and cancellation of business registration certificates consequent to contravention of the provisions of the Business Activities Registration Act, right of appeal and procedures thereof.

Part Six explains the obligations of registered business owners whose businesses have been de-registered or who have lost their certificates of registration.

Part Seven deals with the appointment of inspectors, their powers and mandate.

Part Eight provides for the offences and punishment under the proposed Act.

Part Nine gives the Minister powers to make regulations for the implementation of the Act. This Part also repeals the Business Licensing Act No. 25 of 1972 and provides for the transitional provisions for licenses issued under the Business Licensing Act, 1972.

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## **MADHUMUNI NA SABABU**

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Muswada huu unakusudiwa kupendekeza kutungwa kwa Sheria mpya itakayoweka utaratibu wa uandikishaji wa biashara badala ya utoaji wa leseni za biashara. Sheria mpya inalenga kuweka taratibu za usajili wa biashara zinazowiana na mazingira ya uchumi wa soko huria na kuondoa kero na gharama za kuanzisha biashara zinazotokana na udhibiti usiokuwa wa lazima. Aidha, sheria inaweka taratibu za ukusanyaji na usambazaji wa takwimu kuhusu mwenendo wa sekta ya biashara kwa matumizi ya wadau mbali mbali. Muswada umegawanyika katika sehemu tisa zinazopendekeza mambo mbalimbali kuhusu utaratibu wa uandikishaji wa biashara ifuatavyo:-

Sehemu ya Kwanza inahusu jina la Sheria, matumizi ya sheria na tafsiri ya maneno yanayotumika katika Sheria.

Sehemu ya Pili inaelezea majukumu ya Wizara ya Viwanda na Biashara, uteuzi wa Msajili Mkuu na uanzishaji wa Masijala Kuu (Main Registry).

Sehemu ya Tatu inaelezea uanzishaji wa Ofisi ya Uandikishaji wa Biashara katika Halmshauri za Jiji, Manispaa, Miji na Wilaya, majukumu ya ofisi hizo, uteuzi wa Wasajili na majukumu yao.

Sehemu ya Nne inahusu masharti kuhusu uandikishaji wa biashara, muda wa Hati za Uandikishaji wa Biashara, na wajibu wa wafanya biashara.

Sehemu ya Tano inahusu taratibu za kufuta hati za uandikishaji wa biashara kutokana na kukiukwa masharti yanayopaswa kuzingatiwa na wafanya biashara, haki ya kukata rufaa kwa wale wanaofutiwa hati za uandikishaji pamoja na taratibu za rufaa.

Sehemu ya Sita inaelezea majukumu na wajibu wa wafanya biashara iliyoandikishwa wa kutoa taarifa endapo biashara zao zitafungwa au wamepoteza Hati za Uandikishaji.

Sehemu ya Saba inahusu uteuzi wa Wakaguzi pamoja na taratibu na mamlaka yao ya kuhakiki utekelezaji.

Sehemu ya Nane inaainisha aina ya makosa na adhabu zinazoweza kutolewa chini ya Sheria inayopendekezwa.

Sehemu ya Tisa inatoa mamlaka kwa Waziri mhusika kutengeneza kanuni na taratibu mbali mbali za utekelezaji wa Sheria hii. Sehemu hii pia inaifuta Sheria ya Leseni za Biashara Na. 25 ya mwaka 1972 pamoja na kuweka masharti ya mpito kwa leseni zilizotolewa chini ya Sheria inayofutwa.

Dodoma,  
28 Juni, 2005

**JUMA A. NGASONGWA**  
*Waziri wa Viwanda na Biashara*